Basic information

2010/2120(BUD) BUD - Budgetary procedure	Procedure completed
Amending budget 5/2010: guarantee provided by the EU for financial assistance, new budget item and new article **Subject** 8.70.60 Previous annual budgets	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
BUDG Budgets	SURJÁN László (PPE)	13/07/2010
	Shadow rapporteur JENSEN Anne E. (ALDE)	

Council of the European Union

Council configuration	Meetings	Date
General Affairs	3032	2010-09-13

European Commission

Commission DG	Commissioner
Budget	LEWANDOWSKI Janusz

Key events

Date	Event	Reference	Summary
12/07/2010	Commission draft budget published	COM(2010)0383	Summary
13/09/2010	Council position on draft budget published	13476/2010	Summary
13/09/2010	Vote in committee		Summary
13/09/2010	Draft budget approved by Council		
14/09/2010	Budgetary report tabled for plenary	A7-0250/2010	
20/09/2010	Committee referral announced in Parliament		
21/09/2010	Debate in Parliament		
22/09/2010	Decision by Parliament	T7-0329/2010	Summary

22/09/2010	Results of vote in Parliament		
22/09/2010	End of procedure in Parliament		
21/12/2010	Final act published in Official Journal		

Technical information

Procedure reference	2010/2120(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/7/03444

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE445.963	13/09/2010	
Budgetary report tabled for plenary, 1st reading		A7-0250/2010	14/09/2010	
Budgetary text adopted by Parliament		T7-0329/2010	22/09/2010	Summary

Council of the EU

Document type	Reference	Date	Summary
Council position on draft budget	13476/2010	13/09/2010	Summary

European Commission

Document type	Reference	Date	Summary
Commission draft budget	COM(2010)0383	12/07/2010	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 2010/0775
OJ L 337 21.12.2010, p. 0039 Summary

Amending budget 5/2010: guarantee provided by the EU for financial assistance, new budget item and new article

2010/2120(BUD) - 12/07/2010 - Commission draft budget

PURPOSE: presentation of Draft Amending Budget No. 7 to the 2010 general budget – section III – Commission.

CONTENT: DAB 7/2010 covers the creation of a new budget item 01 04 01 03 for the **guarantee provided by the European Union** in accordance with the provisions of Article 122(2) of the Treaty on the Functioning of the European Union (TFEU) and, correspondingly, a new article 802 on the revenue side.

On 9 May 2010, the Council decided on a comprehensive package of measures to preserve financial stability in Europe, including a European Financial Stabilisation mechanism based on Article 122(2) of the TFEU. This Article foresees financial support for Member States in difficulties caused by exceptional circumstances beyond Member States' control. The mechanism will operate without prejudice to the existing facility providing medium term financial assistance for non euro area Member States' balance of payments.

To grant this financial assistance the Commission will borrow on the capital markets or with financial institutions on behalf of the European Union. In order to honour its obligations should the debtors default, the Commission may draw on its cash resources to service the debt provisionally. Article 12 of Council Regulation (EC, Euratom) No 1150/2000 of 22 May 2000 implementing Decision 2000/597/EC, Euratom on the system of the Communities' own resources shall apply. Subsequently, it may be necessary to budget the operation.

Reimbursements after an initial default or any other revenue arising from the exercise of rights in connection with the guarantee may also need to be budgeted as revenue.

It is therefore proposed to **create a new budget item** on the expenditure side and a corresponding new budget article on the revenue side as the budget **structure for the guarantee provided by the European Union**.

As it is of use for budgetary items linked to lending operations without a specific guarantee fund, the new item 01 04 01 03 and new article 8 0 2 will receive a token entry (p.m.). If necessary, the Commission will propose to make available the appropriations needed by means of a transfer or an amending budget.

DAB No 7 to the 2010 general budget has no financial implications.

Amending budget 5/2010: guarantee provided by the EU for financial assistance, new budget item and new article

2010/2120(BUD) - 13/09/2010 - Council position on draft budget

On 13 July 2010, the Commission submitted draft amending budget (DAB) No 7 to the general budget for 2010. This DAB covered the setting up of the budget structure for the European Financial Stabilisation mechanism based on Article 122(2) of the TFEU. A new budget item (01 04 01 03) on the expenditure side and a corresponding new budget article on the revenue side (802) are created, with a token entry (p.m.) for commitment and payment appropriations as well as for revenue.

No financial provisions were therefore requested for this DAB. If necessary, the Commission would propose to make available the appropriations needed by means of transfers or amending budgets.

The Council reached an agreement on the Commission proposal.

On 13 September 2010, the Council adopted its position on draft amending budget No 7 of the European Union for the financial year 2010 as set out in the technical annex to its explanatory memorandum (see Council Doc 13476/10 ADD 1).

Amending budget 5/2010: guarantee provided by the EU for financial assistance, new budget item and new article

2010/2120(BUD) - 22/09/2010 - Budgetary text adopted by Parliament

The European Parliament adopted by 467 votes to 41, with 19 abstentions, a resolution approving unamended the Council's position on Draft amending budget No 7/2010 of the European Union for the financial year 2010, Section III - Commission.

Parliament recalled that this draft amending budget covered the necessary modifications concerning the creation of a new budget item 01 04 01 03 for the guarantee provided by the European Union in accordance with the provisions of Article 122(2) of the Treaty on the Functioning of the European Union and, correspondingly, a new Article 802 on the revenue side. The purpose of the draft amending budget was to formally enter these adju stments into the 2010 budget.

Amending budget 5/2010: guarantee provided by the EU for financial assistance, new budget item and new article

2010/2120(BUD) - 22/09/2010 - Final act

PURPOSE: definitive adoption of amending budget No 5 of the European Union for the financial year 2010.

LEGISLATIVE ACT: 2010/775/EU, Euratom.

CONTENT: the European Parliament has definitively adopted amending budget No 5/2010 of the European Union, in accordance with its resolution of 22 September 2010 (please refer to the summary of the resolution).

This amending budget covers the necessary modifications concerning the creation of a new budget item 01 04 01 03 for the **guarantee provided by the European Union** in accordance with the provisions of Article 122(2) of the Treaty on the Functioning of the European Union and, correspondingly, a new Article 802 on the revenue side. This item is granted a token entry (p.m.).

It should be noted this amending budget was initially presented as draft amending budget 7/2010.